

Workers' Compensation Fraud

DESCRIPTION OF MAJOR SERVICES

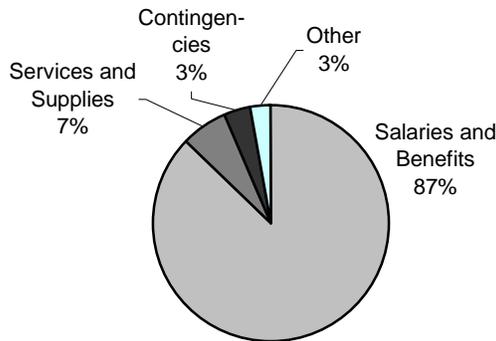
The Department of Insurance, pursuant to Section 1872.83 of the California Insurance Code, distributes funds to the District Attorney's Office for the investigation and prosecution of Workers' Compensation Insurance Fraud. These assessed funds represent a percentage of the total premiums collected by workers' compensation insurance companies and are distributed to investigate and prosecute workers' compensation fraud claims or claims relating to the willful failure to secure the payment of workers' compensation. Of all money collected by the state, 56% is retained by the state for fraud investigation and 44% is distributed statewide to District Attorney offices through a grant program. This budget unit administers those funds.

BUDGET AND WORKLOAD HISTORY

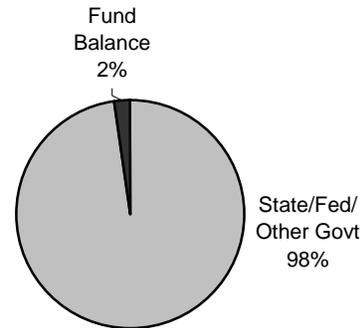
	Actual 2003-04	Budget 2004-05	Estimate 2004-05	Proposed 2005-06
Appropriation	870,434	961,538	917,411	1,059,127
Departmental Revenue	589,850	950,000	930,000	1,035,000
Fund Balance		11,538		24,127
Budgeted Staffing		7.0		7.0

Estimated Appropriation is less than Budgeted Appropriation due to Salaries and Benefits savings. Expenditures were monitored closely in 204-05, as actual revenue is expected to be lower than budgeted revenue. The lower revenue contributes to the lower projected fund balance. Budgeted revenue in 2005-06 is increased to reflect the department's planning budget, which has already been approved by the state. The revenue increase will be offset by an increase in salaries and benefits due to increased retirement costs, workers' compensation expense, and vehicle charges.

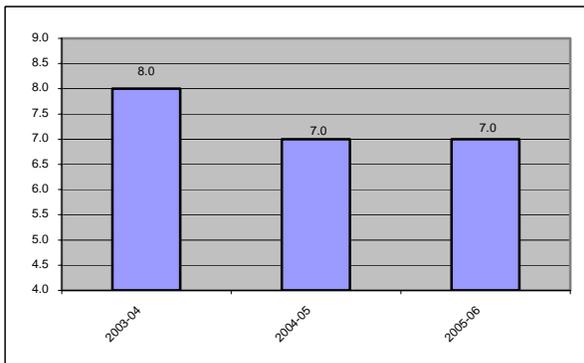
2005-06 BREAKDOWN BY EXPENDITURE AUTHORITY



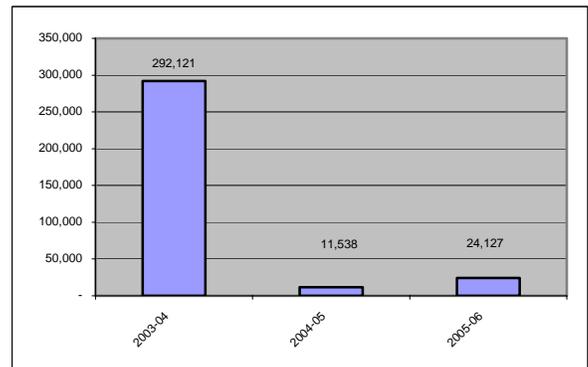
2005-06 BREAKDOWN BY FINANCING SOURCE



2005-06 STAFFING TREND CHART



2005-06 FUND BALANCE TREND CHART



GROUP: Law & Justice
 DEPARTMENT: District Attorney
 FUND: Workers Comp Insurance Fraud

BUDGET UNIT: ROB DAT
 FUNCTION: Public Safety
 ACTIVITY: Workers Comp Insurance Fraud

ANALYSIS OF 2005-06 BUDGET

	A	B	C	D	B+C+D E	F	E+F G
	2004-05 Year-End Estimates	2004-05 Final Budget	Cost to Maintain Current Program Services	Board Approved Adjustments	Board Approved Base Budget	Department Recommended Funded Adjustments (Schedule A)	2005-06 Proposed Budget
Appropriation							
Salaries and Benefits	815,713	837,996	54,478	-	892,474	26,828	919,302
Services and Supplies	67,454	75,267	1,420	-	76,687	(7,769)	68,918
Central Computer	3,994	-	4,165	-	4,165	-	4,165
Transfers	30,250	31,699	-	-	31,699	(932)	30,767
Contingencies	-	16,576	-	-	16,576	19,399	35,975
Total Appropriation	917,411	961,538	60,063	-	1,021,601	37,526	1,059,127
Departmental Revenue							
Use Of Money & Prop	2,000	-	-	-	-	2,000	2,000
State, Fed or Gov't Aid	928,000	950,000	-	-	950,000	83,000	1,033,000
Total Revenue	930,000	950,000	-	-	950,000	85,000	1,035,000
Fund Balance		11,538	60,063	-	71,601	(47,474)	24,127
Budgeted Staffing		7.0	-	-	7.0	-	7.0

Increases in Cost to Maintain Current Program Services include increased costs for MOU, Worker's Compensation, and Retirement; as well as increases in Risk Management premiums. Costs for Central Computer have increased due to direct billing to budget unit by ISD. Although revenue is increased in 2005-06, this budget unit's fund balance has decreased as a result of salaries and benefits costs outpacing revenues.

DEPARTMENT: District Attorney
 FUND: Workers Comp Insurance Fraud
 BUDGET UNIT: ROB DAT

SCHEDULE A

DEPARTMENT RECOMMENDED FUNDED ADJUSTMENTS

Brief Description of Program Adjustment	Budgeted Staffing	Appropriation	Departmental Revenue	Fund Balance
1. Increase Salaries and Benefits Increased costs for benefits and step increases.	-	26,828	-	26,828
2. Reduce Service and Supplies Reduce general office expenses to allow for direct billing of ISD 2410 charges and increase in Risk Management Premiums. ISD now directly bills this budget unit for 2410 charges. In prior years, charges were billed to the DA's general fund budget and department staff would make monthly adjustments. The direct billing of the 2410 charges is reflected in "Cost to Maintain Current Program Services."	-	(7,769)	-	(7,769)
3. Reduce Transfers Reduction in transfer for rent based on recalculation of actual space occupied by unit staff	-	(932)	-	(932)
4. Increase Contingencies Lower than budgeted expenditures in 2004-05, combined with increased revenue, will increase contingencies in 2005-06.	-	19,399	-	19,399
5. Increase Revenue Dept of Insurance provides a planning budget upon which the department builds its application. The planning budget amount was increased over 2004-05 and used for the department's budget. The department has also included interest income in its revenue projections this year.	-	-	85,000	(85,000)
Total	-	37,526	85,000	(47,474)

